

1 IN THE UNITED STATES BANKRUPTCY COURT

2 FOR THE SOUTHERN DISTRICT OF TEXAS

3 HOUSTON DIVISION

4 IN RE: § CASE NO. 12-36187-H1-11
5 ATP OIL & GAS CORPORATION, § HOUSTON, TEXAS
6 DEBTOR. § THURSDAY,
§ AUGUST 22, 2013
§ 1:31 P.M. TO 1:38 P.M.

7
8 #2311 - MOTION TO COMPEL

9 BEFORE THE HONORABLE MARVIN ISGUR
10 UNITED STATES BANKRUPTCY JUDGE

11 APPEARANCES:

12 FOR DEBTOR: SEE NEXT PAGE

13 COURT RECORDER: KETTA LINDSAY

14 COURTROOM DEPUTY: ANITA DOLEZEL
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APPEARANCES:

FOR THE DEBTOR:

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FOR DIP LENDERS:

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NEW YORK, NY 10022

1 HOUSTON, TEXAS; THURSDAY, AUGUST 22, 2013; 1:31 P.M.

2 THE COURT: All right. We're here on the ATP Oil
3 & Gas case. That is Case Number 12-36187.

4 I'm taking any appearances that parties wish to
5 make at this point or else you can reserve appearances until
6 later.

7 MR. GRENARD: Good afternoon, Your Honor.

8 THE COURT: Good afternoon.

9 MR. GRENARD: Joshua Grenard on behalf of the
10 Debtor, ATP Oil & Gas Corporation.

11 Also today in the court with me is my colleague,
12 Mr. Charles Kelley.

13 THE COURT: Thank you, Mr. Grenard.

14 All right. Go ahead.

15 MR. GRENARD: All right. Your Honor, on the
16 Agenda today, as you can see from the Second Amended Agenda
17 that we filed this afternoon, we had seven administrative
18 claims that were scheduled to be heard today. Through a
19 number of efforts of the Debtor and those other parties and
20 through the active working with all these parties, we've
21 actually gotten to the point that a lot of these claims are
22 in the process of either being currently paid. In the
23 process of compromise or working toward a resolution on
24 them, there are a couple that we believe might actually wind
25 up needing a resolution by the Court, but in an effort to

1 avoid that or at least minimize a number of issues, we
2 currently are moving those hearings until September 5th to
3 give the parties more time to work together.

4 I do need to make the point though, Your Honor,
5 that with a lot of these claims, it's not an issue of the
6 Debtor not paying them in the ordinary course. What we had
7 was a number of the applications were either in the process
8 of being paid or receiving authorization for payment when
9 they were filed.

10 So, you know, for example, you have some that are
11 \$700,000. It's actually a \$20,000 difference. So we're
12 working right now to resolve those issues and I think that
13 we'll probably reach that by September 5th, or in the event
14 that we do have to be in front of the Court, we'll at least
15 have some kind of a good resolution on the facts, so we can
16 have a largely legal issue.

17 THE COURT: So which matters are you asking to
18 continue until September the 5th?

19 MR. GRENARD: It's actually matters one -- well,
20 the first, Your Honor, is the Gomez Hub. That's till
21 September 24th by agreement of the parties.

22 THE COURT: All right. And then all the others
23 you want to go until September the 5th?

24 MR. GRENARD: Correct, Your Honor.

25 THE COURT: Let me hear if any party here objects.

1 I don't think September 24th is an ATP date, it may be, but
2 we'll let Ms. Dolezel tell us.

3 THE COURTROOM DEPUTY: It's not.

4 MR. GRENARD: Well, we'll fix the date with
5 Ms. Dolezel, Your Honor.

6 THE COURT: Let me -- okay. I think September 5th
7 is Rosh Hashanah and I want to be sure that that's not going
8 to cause any hardship on anyone. I will be working on
9 Rosh Hashanah, but if there are other parties that have
10 hardship with that, I want to know about it.

11 Anybody have any problem with continuing those
12 hearings until September 5th and then not September 24th,
13 but instead September 26th, which is the preset hearing
14 date?

15 (No audible response.)

16 THE COURT: All right. We'll grant those motions
17 and we'll continue them in accordance with the posted
18 Agenda.

19 MR. GRENARD: Thank you, Your Honor.

20 The one other announcement we do have for the
21 Court is with respect to the Cash Collateral Order. As the
22 Court is aware, right now we're authorized to use cash
23 collateral through August 31st. The Debtor has been working
24 together diligently with the agent and the lenders and
25 through our cooperative efforts, we are currently figuring

1 out the finalization of a budget. We expect that will be
2 put in front of the Court next week.

3 We wanted to give all parties-in-interest the
4 notice that that will be a matter that will be placed in
5 front of the Court next week for consideration.

6 THE COURT: All right.

7 MR. GRENARD: Now, Your Honor, that concludes the
8 announcements for today, unless there's any questions from
9 the Court. What we would like to do, pending the Court's
10 questions, is turn it over to Mr. Silverman from the DIP
11 Lenders to provide a status update as to the sale and the
12 potential closing facts.

13 THE COURT: All right. Mr. Silverman?

14 Good afternoon.

15 MR. SILVERMAN: Good afternoon, Your Honor. Ron
16 Silverman from Bingham McCutchen.

17 THE COURT: Good afternoon.

18 MR. SILVERMAN: Counsel for certain of the DIP
19 Lenders. I must say I haven't been here in a couple of
20 weeks. It's good to be back.

21 THE COURT: It's good to have you.

22 MR. SILVERMAN: So Your Honor, we did want to
23 update the Court on the status and the timing of the sale
24 process. There's been a tremendous amount of paper,
25 preparation that's been done for moving forward with the

1 transaction, but there's been some practical steps that had
2 to occur so that we can then click into the final process of
3 moving towards the consummation. And probably the most
4 important of those big picture steps was finding the
5 operational leadership of the Newco so we can operate this
6 company.

7 And you can imagine it's taking some time to find
8 the right person. The people that are really at the top of
9 the field are few and they're in demand. But I'm very
10 pleased to say that we found our CEO. That person is John
11 Simon. He's the former head of Gulf E&P and Environment
12 Health and Safety for HESS and his qualifications and
13 experience are stellar. It took some time to get someone
14 like him, but it was the right way to do it.

15 And with Mr. Simon on board now, we can move to
16 complete the capital steps of the other operational
17 preparation and move to a closing.

18 So we recognize that in terms of the next couple
19 of weeks, we've got the August logistical challenges of the
20 financial markets and others, but putting that aside, we
21 anticipate moving very quickly from here and to give an
22 update to the Court and the parties, what we would
23 contemplate is making a filing in support of the final
24 hearing with the Court in September, allow people a couple
25 of weeks worth of time so they can see that filing and

1 digest it and raise any questions they have about it, and
2 contemplate moving towards a Final Sale Hearing at the end
3 of September.

4 THE COURT: All right.

5 MR. SILVERMAN: One other thing that I would
6 mention as well that might be helpful is that we've been
7 progressing a number of work streams during this time. We
8 also are working on analyzing the M&M Liens that were
9 asserted with a goal towards consensually meeting with those
10 parties so that we can resolve as many of those as we can so
11 that when we come to a closing, we can actually pay them,
12 once we consensually resolve, you know, as quickly as
13 possible right thereafter.

14 THE COURT: We, as I recall, had a few people that
15 appealed our *Midlantic* decision, which went towards the
16 question of the sale. Has any Appellate Court stayed any of
17 what we're doing or issued any rulings on the *Midlantic*
18 stuff, or has anyone sought the stay so that we would not be
19 able to proceed with the closing, based on what might be
20 occurring in another Court?

21 MR. KELLEY: Nothing outside of this Court, Your
22 Honor. The only stay is as to the Order related to the
23 Gomez rejection and the limited stay for the rejection of
24 the Sojitz parties.

25 THE COURT: Right.

1 MR. KELLEY: But nothing beyond that.

2 THE COURT: So no one sought, or at least if they
3 sought, they didn't obtain an order from a District Judge
4 that said that we couldn't proceed based on our --

5 MR. KELLEY: Not of which I've received --

6 THE COURT: -- on an apparent error in the
7 *Midlantic* decision.

8 MR. KELLEY: Not of which I've received any
9 notice.

10 THE COURT: Okay.

11 MR. KELLEY: And we are in discussion with a
12 couple of parties who have sought stay on the Gomez
13 *Midlantic* history, so we are in discussions with them and we
14 may be before your Court -- before Your Honor some time in
15 the future with a possible discussion --

16 THE COURT: All right.

17 MR. KELLEY: -- you know, proposal on some of it.

18 THE COURT: Are there any announcements that need
19 to be made by any other party in addition to the Lender's
20 announcements?

21 (No audible response.)

22 THE COURT: Thank you, Mr. Silverman. I guess
23 we'll just adjourn until our 2:00 o'clock hearing.

24 Thank you.

25 MR. SILVERMAN: Thank you.

1 (Proceeding adjourned at 1:39 p.m.)

2 * * * * *

3 I certify that the foregoing is a correct
4 transcript to the best of my ability from the electronic
5 sound recording of the proceedings in the above-entitled
6 matter.

7 /S/ MARY D. HENRY

8 AAERT CET**D-337

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10 JTT INVOICE #51482

11 DATE: AUGUST 24, 2013

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